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Prepared By _____

Approved By _____

An act to amend Section 14407.6 of the Welfare and Institutions Code,
relating to Medi-Cal, and declaring the urgency thereof, to take effect
immediately.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 14407.6 of the Welfare and Institutions Code is amended to read:

14407.6. (a) ~~Notwithstanding Section 14407.5, the~~ The department shall, to the extent permitted by federal law or under federal waivers ~~which~~ that the department may obtain, establish a minimum enrollment period for Medi-Cal beneficiaries enrolling in managed care plans under this chapter or any of the following provisions of Chapter 7 (commencing with Section 14000):

~~(1) This chapter.~~

~~(2) Any of the following provisions of Chapter 7 (commencing with Section 14000):~~

~~(A)~~

~~(1) Article 2.7 (commencing with Section 14087.3).~~

~~(B)~~

~~(2) Article 2.9 (commencing with Section 14088).~~

~~(C)~~

~~(3) Article 2.91 (commencing with Section 14089).~~

(b) (1) Except as otherwise required by federal law, disenrollment during the minimum enrollment period shall only be for good cause.

(2) For purposes of this section, the meaning of “good cause” ~~shall be as defined in subdivision (b) of Section 14407.8, and shall include~~ “good cause” as defined by federal laws or regulations governing Medi-Cal managed care contracting.

(c) (1) For managed care plans contracting with the department pursuant to paragraph (1) or (3) of subdivision (a), the department may establish an open enrollment process that allows beneficiaries the option of enrolling in an alternate managed care plan only during an annual open enrollment period. Notwithstanding an open enrollment process established pursuant to this subdivision, a beneficiary shall have the option to change to an alternate managed care plan within the first 60 days of the enrollment period.

(2) The director shall seek any necessary federal approvals for the implementation of this subdivision. To the extent that federal financial participation is not available with respect to any part of the open enrollment process described in this subdivision, the director has the discretion not to implement that part of the process and may adjust the process as necessary to obtain federal financial participation.

(3) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section and any applicable federal waivers and state plan amendments by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions, without taking regulatory action.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to make changes necessary for implementation of the Budget Act of 2011, it is necessary that this act take effect immediately.

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LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, _____.

General Subject: Medi-Cal: managed care plan enrollment.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law requires the department to establish a minimum enrollment period for Medi-Cal beneficiaries enrolling in specified managed care plans.

This bill would, except as provided, authorize the department to establish an open enrollment process for specified managed care plans contracting with the department that allows beneficiaries the option of enrolling in an alternate managed care plan only during an annual open enrollment period, as provided.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

DRAFT